EOG Resources, Inc. P.O. 1910 Vernal, UT 84078

December 15, 2005

Utah Division of Oil, Gas, & Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL NATURAL BUTTES UNIT 549-13E NW/NW, SEC. 13, T10S, R22E UINTAH COUNTY, UTAH LEASE NO.: U-08512 ST UTAH STATE LANDS

Enclosed please find the original and one copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter P.O. Box 1910 Vernal, UT 84078 Phone: (435)789-4120 Fax: (435)789-1420

Sincerely.

Agent

EOG Resources, Inc.

Attachments

RECEIVED
DEC 2 0 2005

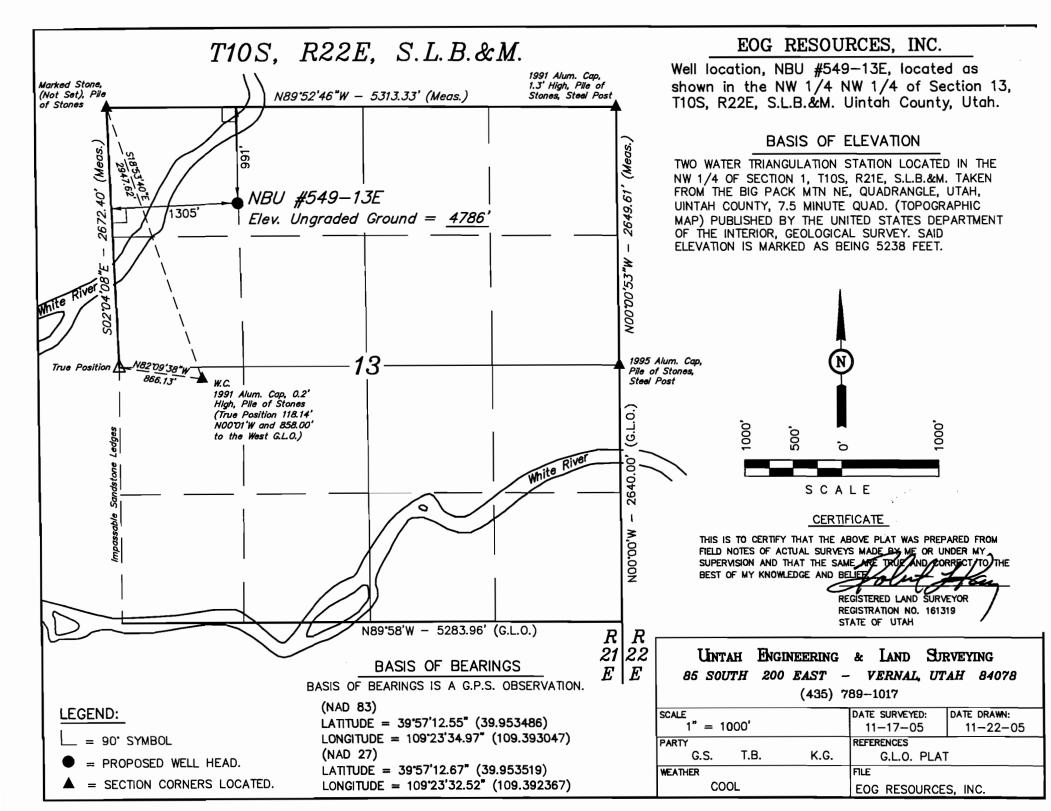
STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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AMENDED REPORT (highlight changes)

		5, MINERAL LEASE NO: U-08512 ST	6. SURFACE: State						
1A. TYPE OF W	ORK: D	7. IF INDIAN, ALLOTTEE OR	TRIBE NAME:						
B. TYPE OF WE		GAS 🗾 (OTHER	SIN	GLE ZONE MULTIPLE ZON	— NATURAL BUTT	ES UNIT		
2. NAME OF OPE	ERATOR: OURCES, II	NC.				9. WELL NAME and NUMBER NATURAL BUTT			
3. ADDRESS OF					PHONE NUMBER:	10. FIELD AND POOL, OR W			
P.O. BOX		CITY VERN		E UT ZIP 84	<u> </u>		NATURAL BUTTES		
	WELL (FOOTAGE	ES)	637323	3 x 3	9,953483	11. QTR/QTR, SECTION, TO MERIDIAN;	WNSHIP, RANGE,		
	991' FNL,	1305' FWL	442362	24 -1	9,953483 09.342404	NWNW 13 10	S 22E S		
AT PROPOSED	PRODUCING ZO	NE: SAME		, ,	07.392409				
14. DISTANCE IN	MILES AND DIRE	ECTION FROM NEAR	REST TOWN OR POS	ST OFFICE:		12. COUNTY:	13. STATE:		
28.92 MI	LES SOUT	HEAST OF C	DURAY, UTA	Н		UINTAH	UTAH		
15. DISTANCE TO	O NEAREST PROP	PERTY OR LEASE LI	NE (FEET)	16. NUMBER O	F ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED	TO THIS WELL:		
991'					600				
	O NEAREST WELL R) ON THIS LEASE	L (DRILLING, COMPL	ETED, OR	19. PROPOSED	DEPTH:	20. BOND DESCRIPTION:			
	O MAP "C"	- (- 22-7)			6,680	NM 2308	M 2308		
21. ELEVATIONS	S (SHOW WHETHE	R DF, RT, GR, ETC.):		ATE DATE WORK WILL START:	23. ESTIMATED DURATION:	ESTIMATED DURATION:		
4785.0' G	4785.0' GRADED GROUND 1/15/2006			06	45 DAYS	5 DAYS			
24.			PROPOSI	ED CASING A	ND CEMENTING PROGRAM				
SIZE OF HOLE	E CASING SIZE, GRADE, AND WEIGHT PER FOOT SETTING DEPTH CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT					•			
12 1/4"	9 5/8"	J-55	36.0#	500	00 SEE 8 POINT PLAN				
7 7/8"	4 1/2" J-55 11.6# 6,680 SEE 8 F			SEE 8 POINT PLAN					
25.				ATTA	CHMENTS				
VERIFY THE FOL	LLOWING ARE AT	TACHED IN ACCORU	DANCE WITH THE U	TAH OIL AND GAS C	ONSERVATION GENERAL RULES:				
WELL PL	AT OR MAP PREF	PARED BY LICENSED	O SURVEYOR OR EN	IGINEER	COMPLETE DRILLING PLAN				
		F WATER RIGHTS A			FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER				
₩ CVIDEI	DE OF BIVISION O	T TO TENTION	ar novier on occ	. 01 117(12)(
NAME (PLEASE	PRINT) Ed Tro	otter /		_	TITLE Agent				
SIGNATURE	Fi	a li tul	<u> </u>		DATE 12/15/2005				
(This space for Sta	ite use only)	-)			-				
		11.	25-11			RECEIVE	-D		
API NUMBER AS	SIGNED:	43047-3	15 54		APPROVAL:				
						DEC 2 0 20	05		



EIGHT POINT PLAN NATURAL BUTTES UNIT 549-13E NW/NW, SEC. 13, T10S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	661'
Wasatch	3,603'
Chapita Wells	4,134'
Buck Canyon	4,778'
North Horn	5,614'
KMV Price River	5,910'

EST. TD: 6,680' or 200' ± below North Horn Top

Anticipated BHP: 3,300 Psig

DATING PACTOR

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.
- 3. PRESSURE CONTROL EQUIPMENT: Production Hole 5,000 Psig BOP Schematic Diagram attached.

4. CASING PROGRAM:

							RATING FACTOR		
	HOLE SIZE	<u>INTERVAL</u>	<u>SIZE</u>	WEIGHT	GRADE	THREAD	COLLAPS	E /BURST/	TENSILE
Surface	12-1/4"	$0' - 500'KB \pm$	9-5/8"	36.0#	J-55	STC	2020 Psi	3520 Psi	394,000#
Production	n: 7-7/8"	$500' \pm - TD$	4-1/2"	11.6#	J-55	LTC	4960 Psi	5350 Psi	162,000#
All casing will be new or inspected.									

5. Float Equipment:

Surface Hole Procedure (0 - 500' ± Below GL):

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1 - 5 - 10' above shoe, every collar for next 3 joints (4 total).

Production Hole Procedure (500' \pm - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, J-55 or equivalent marker collars or short casing joints to be placed 1000' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (15± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN NATURAL BUTTES UNIT 549-13E NW/NW, SEC. 13, T10S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

6. **MUD PROGRAM:**

Surface Hole Procedure (0 - 500' ± below GL):

Air/air mist or aerated water

Production Hole Procedure (500' ± - TD):

Anticipated mud weight 9.0 - 9.5 ppg depending on actual wellbore condition encountered while drilling.

A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

9. **CEMENT PROGRAM:**

Surface Hole Procedure (0-500' ± Below GL)

Lead:

Class 'G' cement with 2% S1 (CaCl2) & 0.25 pps D29 (cellophane flakes), mixed

at 15.8 ppg, 1.16 ft³./sk., 4.95 gps water.

Top Out:

Top out with Class 'G' cement with 2% S1 (CaCl2) in mix water, 15.8 ppg, 1.16

ft³./sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes with spud rig.

Note:

Cement volumes will be calculated to bring cement to surface.

EIGHT POINT PLAN NATURAL BUTTES UNIT 549-13E NW/NW, SEC. 13, T10S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (500' ± to TD)

Lead: 218 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65

(Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19

gps water.

Tail: 615 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch. Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 500'±):

Lost circulation

Production Hole (500'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

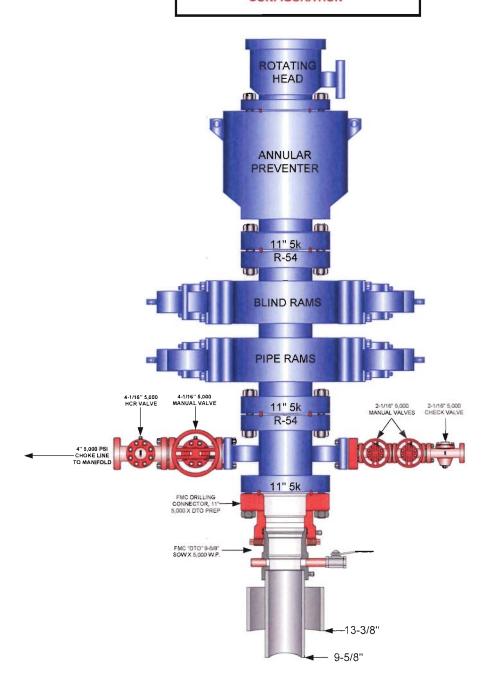
11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

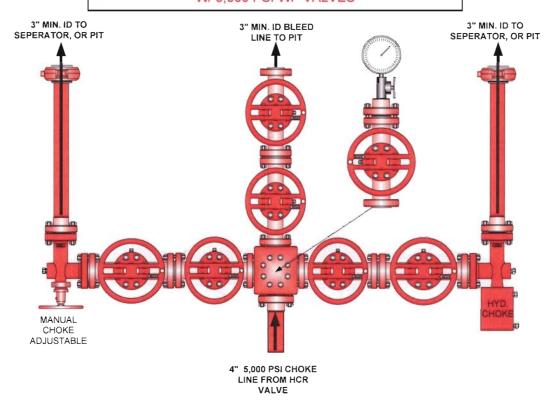
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F 2



Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
- 4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Company/Operator: <u>EOG Resources, Inc.</u>

Well Name & Number: Natural Buttes Unit 549-13E

Lease Number: U-08512 ST

Location: 991' FNL & 1305' FWL, NW/NW,

Sec. 13, T10S, R22E, S.L.B.&M.,

Uintah County, Utah

Surface Ownership: STATE OF UTAH

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction

of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to

spudding the well.

Casing String and

Cementing - twenty-four (24) hours prior to running

casing and cementing all casing strings.

BOP and related

Equipment Tests - twenty-four (24) hours prior to running

casing and tests.

First Production

Notice - within five (5) business days after new

Well begins or production resumes after Well has been off production for more than

ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 28.92 miles southeast of Ouray, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 90 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service Publication: <u>Surface Operating</u> Standards For Oil & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Diverting water off at frequent intervals by means of cutouts shall prevent erosion of drainage ditches by

run off water. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. <u>LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION</u>

- A. Abandoned wells 2*
- B. Producing wells 11*
- C. Shut in wells 1*

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of well head valves, separator, dehy, 210 Bbl condensate tank, meter house and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

B. OFF WELL PAD

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 318' from proposed location to a point in the NW/NW of Section 13, T10S, R22E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses State of Utah administered lands within the Natural Buttes Unit, thus a Right-of-Way grant will not be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

The production facilities will be placed on the Northeast side of the location.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from the Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Section 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil will be stored from Northwest of Corner #7 to Northeast of Corner #6, as well as from Corner #8 to Corner #2.

Access to the well pad will be from the Southwest.

Corners #2 & #6 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

11. SURFACE OWNERSHIP

Access road: State of Utah Location: State of Utah

12. OTHER INFORMATION

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used.
 - a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

The drilling rig and ancillary equipment will be removed from the location В. prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter P.O. Box 1910 Vernal, UT 84078 Telephone: (435)789-4120

Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski EOG Resources, Inc.

P.O. Box 250

Big Piney, WY 83113

Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist: that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

12-15-2005 Date

Agent Total

EOG RESOURCES, INC. NBU #549-13E SECTION 13, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST: TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST: TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 5.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; PROCEED IN A SOUTHERLY, THEN WESTERLY DIRECTION APPROXIMATELY 2.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 90' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 59.9 MILES.

EOG RESOURCES, INC.

NBU #549-13E

LOCATED IN UINTAH COUNTY, UTAH SECTION 13, T10S, R22E, S.L.B.&M.

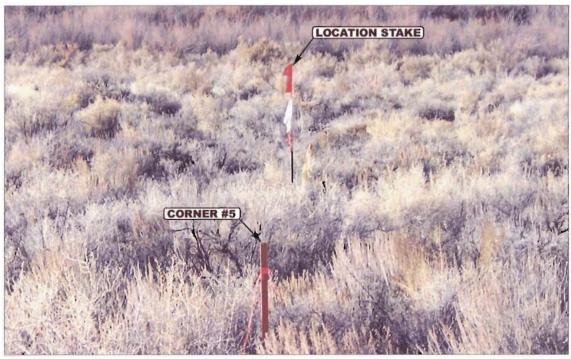


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

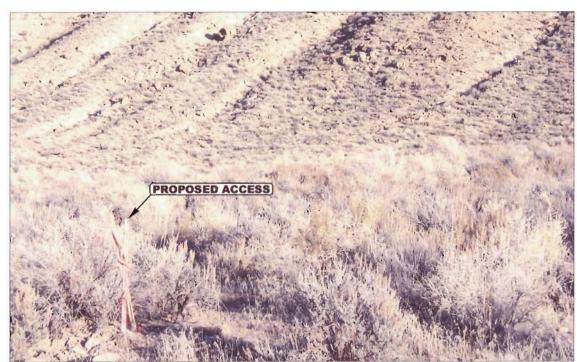
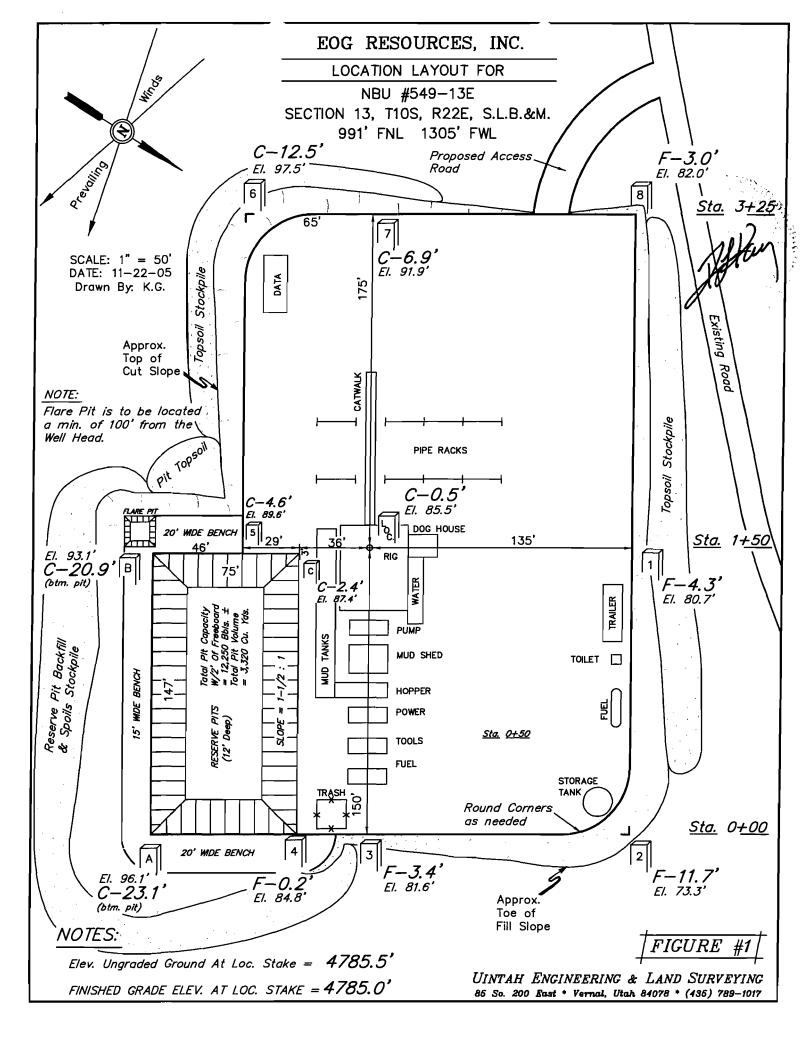


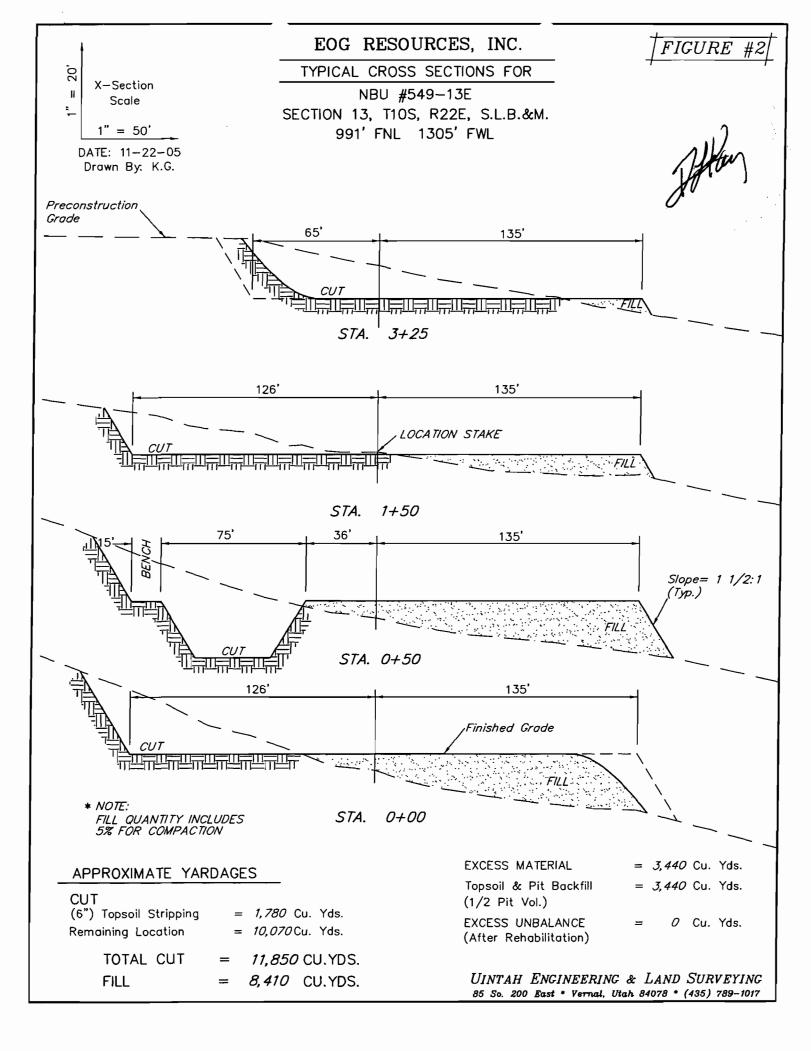
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

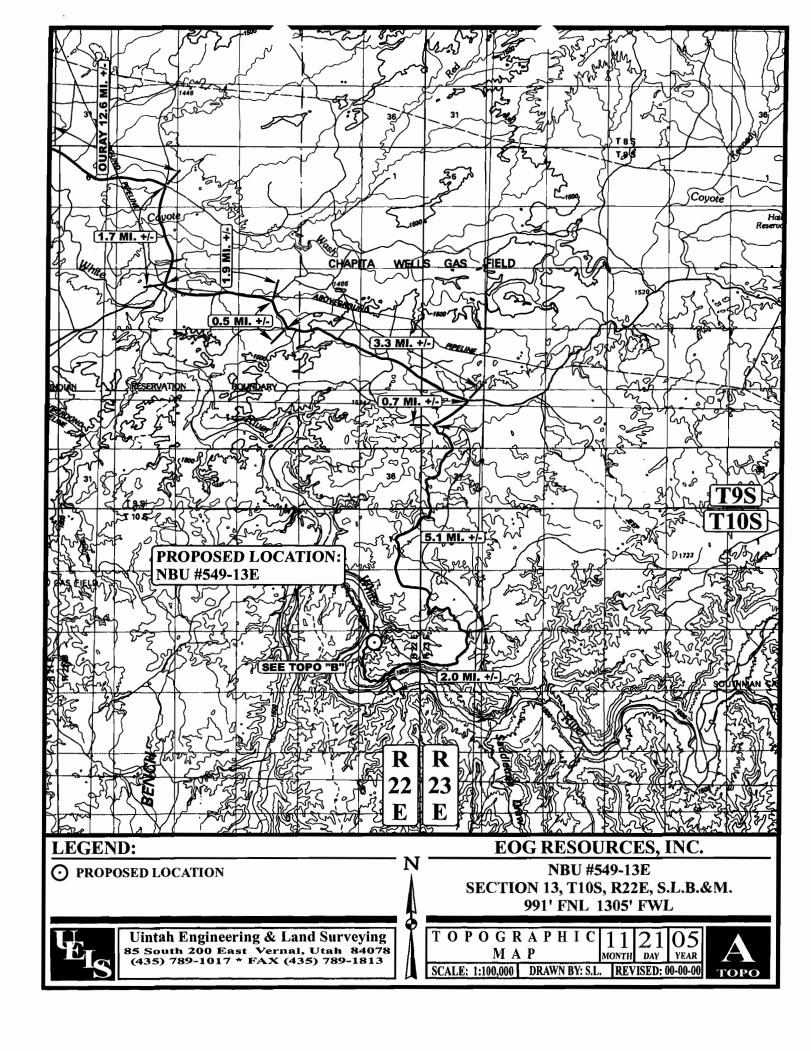
CAMERA ANGLE: NORTHEASTERLY

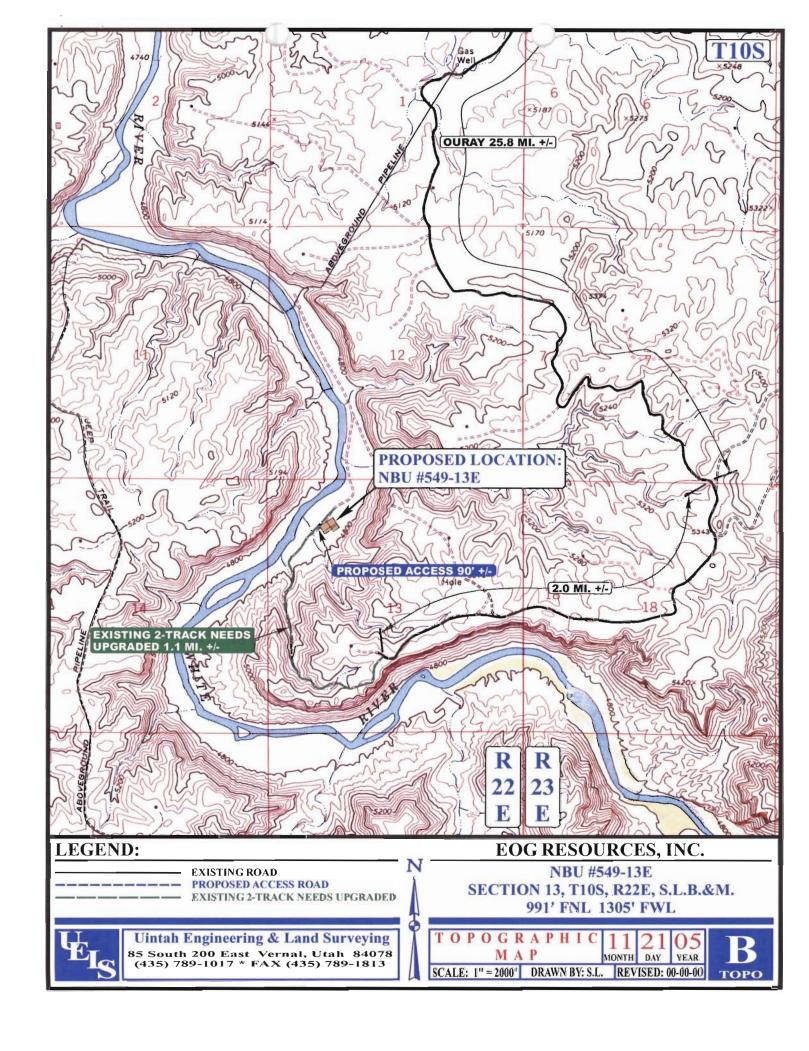


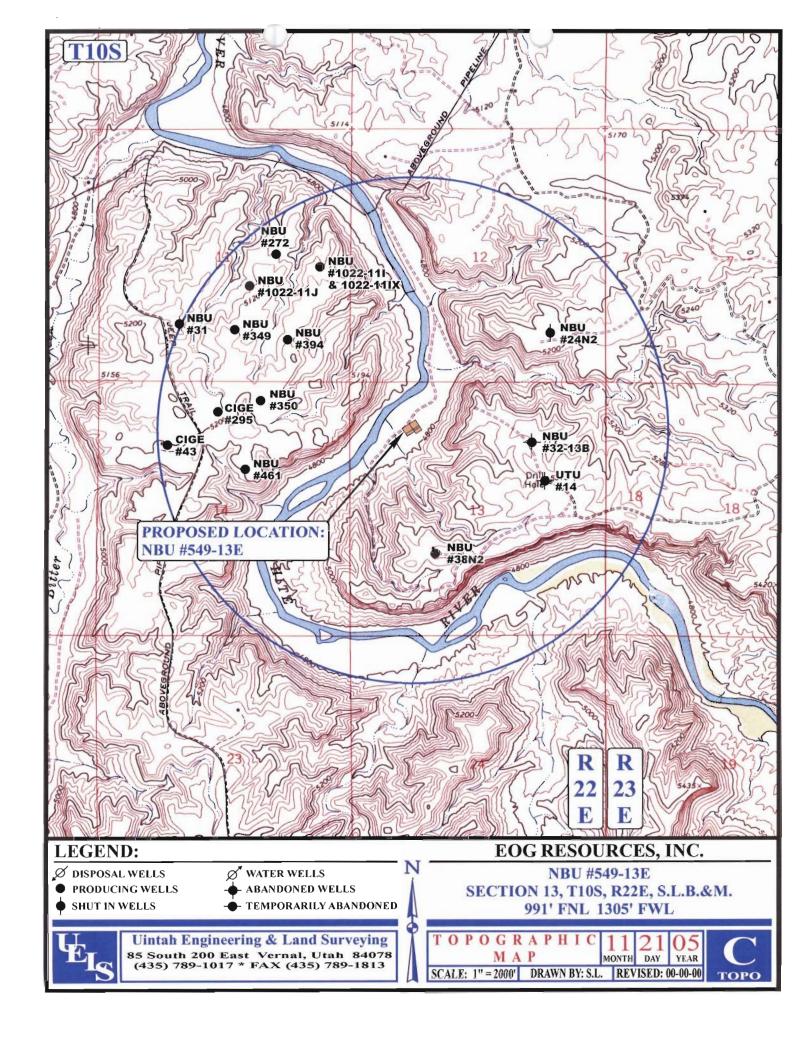


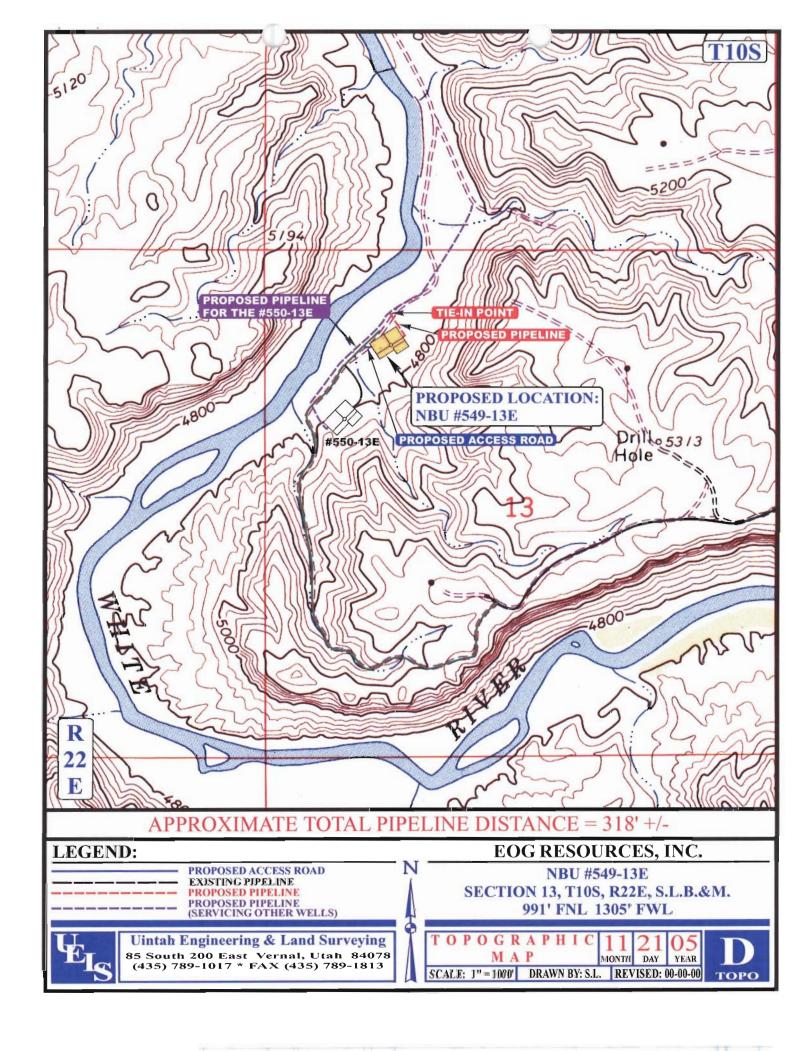














United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410



http://www.blm.gov/ut/st/en/fo/vernal/html

IN REPLY REFER TO: 3160 UT08300

1060 E Hwy 40

April 15, 2008

Kaylene R. Gardner EOG Resources, Inc. Vernal, UT 84078

43.047.37554

Re:

Well No. Natural Buttes Unit 549-13E

NWNW, Sec. 13, T10S, R22E

Uintah County, Utah Lease No. U-08512 ST Natural Buttes Unit

Dear Ms. Gardner:

The Application for Permit to Drill (APD) the above referenced well submitted December 19, 2005 is being returned unapproved/accepted per your request in a letter dated March 19, 2008 to Jerry Kenczka. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding APD processing, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson Land Law Examiner

UDOGM - Diana Mason CC:

> RECEIVED APR 18 2000

DIV. OF ON DAY JAMANTS